

Trade Invest Monthly

Hawaii's International Business Network

State of Hawaii

Department of Business, Economic Development & Tourism

To receive the Trade Invest Monthly by e-mail, please send your request to: tradeinvest@dbedt.hawaii.gov

International Notices

Vietnam 2000 Trade Mission

This is a reminder for all businesses interested in doing business in Vietnam. The mission is scheduled for June 10 - 22, 2000. Space is limited, but there is still time to arrange and coordinate specific contacts and meetings for participants.

The itinerary will accommodate the specific needs of Hawaii business participants, and will focus on the following industry sectors: education and training; tourism; tourism development and related services; agriculture, aquaculture and fisheries; import/export opportunities; environmental services and technology; healthcare; and public health.

The format includes group meetings with key government/state enterprises; industry/market briefings by U.S. and Vietnamese officials; one-on-one meetings with Vietnamese counterparts; site visits; and presentations by Hawaii businesses to targeted audiences in three cities. The mission will include two days in Hanoi, four days in Hue, and three days in Ho Chi Minh City (Saigon). Meetings with officials and business leaders in all three cities have been arranged. In Hue, the cultural and developing business center of Vietnam, a special relationship between Honolulu and Hue has been nurtured over the years and Hawaii companies will benefit from this sister city relationship. The State of Hawaii legislature has just introduced a resolution to establish a *Sister State* relationship with the province of Thua Thien-Hue, which will further solidify and facilitate expanded business relationships.

First-time business visitors to Vietnam will gain quick access to key government agencies and businesses, while returning visitors can benefit from an expanded network of contacts that are available through the mission's in-country sponsors. The schedule is flexible and will allow opportunities to pursue private business meetings and contacts as well.

The cost, including round trip airfare, hotels, meals and travel within Vietnam is \$2,100. For more information call Ms. Thanh Lo Sananikone, mission coordinator, Tel: (808) 735-2602 by E-mail: pacusa@pixi.com; or Richard Bahar, Tel: (808) 587-2769 by E-mail: rb@dbedt.hawaii.gov

"Business Down Under"

U.S. Business and Investments in Australia

The U.S. Department of Commerce just released the updated edition of the business guidebook "Business Down Under." Produced by the U.S. and Foreign Commercial Service and the

American Chamber of Commerce in Australia, the information in this publication should be of great interest to firms that are contemplating exporting or establishing more extensive business relationships in Australia.

For a copy of the guide, please contact the Export Assistance Center - Hawaii, Tel: (808) 522-8040.

Worldwide Market Reports

Due to the large number of requests for reports, we have made the request process easier to better serve you. Complete the request form at the end of the newsletter and Fax to (808) 587-3388, or send an E-mail message to: tradeinvest@dbedt.hawaii.gov

Indonesia - Demand for Used Medical Equipment

The U.S. & Foreign Commercial Service reports a niche market in Indonesia for used medical equipment.

The downturn in the economic condition in Indonesia has made the purchase of new medical equipment unaffordable to most hospitals.

At the same time the Indonesian government prohibits public hospitals from utilizing used or refurbished medical equipment, but that does not apply to the private hospitals. As private hospitals need to replace old medical equipment purchased before the economic crisis, they are looking at alternative medical products within their budget range.

Medical suppliers anticipate that the demand for used medical equipment will increase in the future. A major concern of hospitals is the after-sale service and parts availability. Companies that offer used medical equipment should also be able offer product training, technical assistance, spare parts, and after-sales service.

For more information on the used medical equipment market in Indonesia, contact the Ms. Sharon Chandra of the Jakarta Commercial Center at Tel: 62-21-526-2850 ext. 3007; or by e-mail at: sharon.chandra@mail.doc.gov.

Japan's New Recycling Law

Source: Western United States Agricultural Trade Association (WUSATA). WUSATA reports that on April 1, 2000, the Government of Japan will implement the Packaging Recycling Law.

The law specifies manufacturers are obligated to pay for the collecting, sorting transportation and recycling costs of all paper, plastic packaging and containers. While importers will be

held responsible for paying the recycling costs on products imported into Japan.

The Japanese industry is working to reduce overall packaging, make packaging recyclable, and prepare for the requirements under the new law. This law will most likely affect the decisions made by importers and distributors on all foreign packaged goods.

For more information please go to the WUSATA website: <http://www.wusata.org/> or contact the USDA Foreign Agricultural Service Trade Assistance office, Tel: (202) 720-7420, Fax: (202) 690-4374.

Philippines – Architecture, Construction, Engineering Services Market

This U.S. & Foreign Commercial Service in Manila anticipates an increased demand for architectural, construction, and engineering (ACE) services. The construction market in the Philippines is expected to expand by 19% each year over the next three years.

Although the local ACE consultants will continue to dominate the market, foreign ACE consultants will find opportunities in the following areas:

1. Infrastructure projects financed through the Official Development Assistance or Build-Operate-and-Transfer.
2. High-end real estate projects: malls, leisure facilities, mixed-use complexes, industrial estates, high-tech manufacturing facilities

There is considerable foreign competition in the ACE industry from France, Japan, Hong Kong, and the United Kingdom.

Overall, U.S. ACE firms have the best chances of winning projects in the Philippines which are funded by the following organizations – Asian Development Bank, World Bank, and the U.S. Agency for International Development.

The report provides the following background ACE information in the Philippines:

1. Market demand – major infrastructure projects;
2. Competitive analysis – partnering with local companies, setting up an office in the Philippines;
3. End-user profile – government agencies and their projects;
4. Market access; and
5. Key contacts.

For a copy of the report, complete the request form and fax to (808) 587-3388.

Singapore Market Guide for Seafood

According to a recent U.S. Department of Agriculture report, the Singapore market for seafood is valued at US\$418 million. The local seafood catch is estimated to be less than 10% of the total imports. Singapore imports seafood from 48 countries.

The key points to the Singapore seafood market follows:

- Singapore is the Southeast Asia distribution hub. Food manufacturers and suppliers re-export products to as many as 33 countries worldwide.
- Countries that are primary competitors: New Zealand (marine fish, frozen tuna, fish fillets, other crustaceans and mollusks), Australia (marine fish, freshwater fish, smoked fish, prawns and shrimp, other crustaceans and mollusks), and Norway (marine fish, freshwater fish, fish fillets, smoked fish, prawns and shrimp).
- Local per capita consumption (about 20 kilos annually) of fish and seafood products will grow by as much as 30% per year over the next three years.
- No import duties are imposed on imported fish and seafood. A Goods and Service Tax (GST) of 3% is imposed on goods imported into Singapore, based on the CIF value in Singapore dollars.

The report provides a listing of Singapore importers, as well as retail price information for selected fish products. For a copy of the report, complete the request form and fax to (808) 587-3388.

Taiwan – Water Filter Systems Market

With growing public concern regarding health and a steady increase of household income, the American Institute in Taiwan (AIT) reports that U.S. suppliers of water filter systems are enjoying brisk sales in Taiwan.

Taiwan imported about US\$27.5 million worth of water filter systems from the U.S., an increase of 41.8% over the previous year, accounting for 52.0% of all water filter system imports in 1999. The current local market demand for water filter systems is about 383,500 units a year with a value of approximately US\$71 million.

Water filter systems focus on the middle-high income families in northern Taiwan. These families are more concerned with the quality of life. Other target markets include the central southern areas – places with serious water pollution.

Hawaii companies interested in pursuing the market are advised by the AIT to pay attention to after-sales service—a key factor for successful sales, and growing competition from Japanese companies.

For more information on entering the Taiwan market, contact Amy Chang, Commercial Officer at AIT, Tel: (886-2) 2720-1550; Fax: (886-2) 2757-7162.

Japan's Specifications and Standards for Foods and Food Additives - Food Sanitation Law

The DBEDT library has recently received the sixth revised edition of the abstract titled, "Specifications and Standards for Foods, Food Additives, etc. Under the Food Sanitation Law" for Japan.

The abstract is published by the Japan External Trade Organization (JETRO), and presents excerpts and summaries of re-

lated regulations. Importers and exporters interested in seeking detailed information should refer to the original Japanese texts of the Food Sanitation Law.

The publication can be viewed at the DBEDT Library, No. 1 Capitol District Building, 250 S. Hotel Street, 4th Floor. For more information call: Tel: 586-2424.

U.S. Government Trade Policy Information

The Office of the U.S. Trade Representative recently published the 1999 Annual Report and 2000 Trade Policy Agenda regarding the U.S. government's stand on international trade issues.

A copy of the reports are available by contacting the Office of the U.S. Trade Representative, Executive Office of the President, Washington, D.C., 20508. Due to a limited supply, only one copy is available per organization.

A copy of the report may also be accessed through the Office of the U.S. Trade Representative website at:
<http://www.ustr.gov/reports/tpa/2000/index.html>

Vietnam - Cosmetics Market

In a report conducted by Indochine Investment Advisors Inc. and the U.S. & Foreign Commercial Service, the Vietnam cosmetics market is going through continuous change and poses risks to those unfamiliar with the market. However, it is a long-term growth market for U.S. cosmetic products.

Issues in the Vietnamese cosmetic industry center on the following:

- ◆ Cosmetic smuggling and bureaucratic red tape serve as market barriers to legitimate cosmetic companies.
- ◆ High duty rates for cosmetics - Currently 50%, with an additional 10% value-added tax (VAT).
- ◆ Vietnamese consumers have little brand awareness due to a minimal exposure to advertising. This lack of brand loyalty presents opportunities for new-to-market cosmetic companies.
- ◆ Until recently, cosmetics were sold in wet and dry markets in Ho Chi Minh City and Hanoi. Efforts to create increased market presence by companies such as Revlon (U.S.A.), Shiseido (Japan), DeBon (Korea), and Coreana (Korea) are being explored through the establishment of their own retail outlets.
- ◆ Vietnamese law prohibits foreign companies from entering the trading and distribution industry. There is a need to find reliable importers/agents in Vietnam.

In addition, the report provides the following background information:

1. Best sales prospects;
2. Market entry climate;
3. Distribution and business practices;
4. Recommendations; and
5. Key contacts.

For a copy of the report, complete the request form and fax to (808) 587-3388.

Coffee – Semi-Annual Reports

The U.S. Department of Agriculture's Foreign Agriculture Service updated its semi-annual coffee report regarding the production, supply and demand in the following countries:

- | | | |
|-----------------|---------------|-------------|
| ▷ Cote d'Ivoire | ▷ Costa Rica | ▷ Vietnam |
| ▷ Mexico | ▷ Colombia | ▷ Indonesia |
| ▷ Brazil | ▷ India | ▷ Guatemala |
| ▷ Honduras | ▷ El Salvador | ▷ Venezuela |

For a copy of a report, complete the request form and fax to (808) 587-3388.

Promote Products in Japan Through "Lifestyle USA"

To increase visibility of U.S. products in the Japan market, the U.S. & Foreign Commercial Service in Tokyo has teamed with a Japanese publisher to produce "Lifestyle USA," a glossy, high-quality annual magazine targeted at Japanese business, government and media decision makers, and opinion leaders.

"Lifestyle U.S.A." is the only publication in Japan that is officially sponsored by the U.S. Embassy in Tokyo. It is sold in bookstores and has grown from 10,000 issues in 1997 to 40,000 in 2000. The U.S. Embassy and Consulates distribute 1/3 of the issues to their key Japanese contacts.

Hawaii companies interested in promoting their products through "Lifestyle U.S.A." may contact the Lifestyle U.S.A. Editorial Office for more details. The contacting information is as follows: c/o Sun Art Printing Co., Ltd., 2-15-30, Higashi Imazato, Higashinari-ku, Osaka 537-0011, Tel: 81-6-6976-0600 Fax: 81-6-6976-0954 E-mail: design@sunart.co.jp

Japan Retail Food Sector

The U.S. Department reports that in spite of Japan's economic recession, Japan remains the largest and most lucrative consumer foods market for U.S. agricultural products.

The economic slowdown has created infrastructure adjustments in the Japanese retail sectors to improve efficiency and to better cater the Japanese demands during the slower sales period. As a result of the streamlining, food and beverage sales registered 4.6% growth to US\$39 billion in the convenience stores sector, and 5.4% growth in large-scale supermarkets nationwide.

Specific product groups such as the Home Meal Replacement (HMR) are the fastest growing product category. Referred to as the "ready-to-cook, ready-to-heat, ready-to-eat meals", HMR sales continue to outpace other food categories in both the retail and food service areas.

With an increasing concern for food safety, the organic and natural foods market in Japan continues to be a growing market. In response to this trend, the Japan government has recently developed a national organic standard that will be put into effect in 2000.

In summary, the report focuses on the following topics:

1. Market summary – supermarkets, convenience stores, demographics
2. Market entry – cross-sector entry strategy, supermarkets, super-stores, hyper-markets, convenience stores, traditional and specialty markets
3. Competition
4. Best product prospects

For a copy of the report, complete the request form and fax to (808) 587-3388.

Offers

The below-listed trade opportunity comes directly from the company or trade organization, and DBEDT does not endorse any of these companies or organizations. Please do your own background check before entering into any business negotiation.

Offers to Buy

A Singaporean is looking for health and beauty, electronic, IT and computer-related, and educational products to import into Singapore. Contact Bernard Ong at Bennette & Bennette International Pte. Ltd., Tel: (65) 481-7092; Fax: (65) 481-7095.

Other Opportunites

German company is interested in representing Hawaii companies/manufacturers of high-voltage and high-power components (HV-capacitors, resistors, and semiconductors) in the German and Central European region. Contact Lothar Kortum at Elkobra GmbH, Am Pfanderling 70, 85778 Haimhausen. For a copy of their company brochure contact DBEDT's Product Promotion Branch at Tel: 587-2584.

Worldwide Business Trade Shows, Conferences, and Trade Missions

International

May 7-9, 2000

U.S. Export Showcase featured in the the 2000 FMI Show, Chicago, Illinois. sponsored by The National Association of State Departments of Agriculture (NASDA) and The Food Marketing Institute (FMI). Held in conjunction with FMI's International Supermarket Industry Convention & Education Exposition. This show brings together over 30,000 food industry executives from around the world. Contact FMI-ITS at: Tel: 1-800-974-9769 (U.S. and Canada only); Fax: 1-800-521-6017 (U.S. and Canada only); e-mail: fmi@fmi.org; website: <http://www.fmi.org>

May 31-June 3, 2000

Food & Hotel Philippines 2000. Manila, Philippines. In 1999, the Philippines import of U.S. consumer-ready foods were 55% over 1998 levels. The Philippines accounts for over 45% of the U.S. exports of consumer-ready products to Asia, and ranks the 11th largest market for the U.S.D.A. will sponsor a U.S. Pavilion (Great American Food Show) at the exhibition. For more information, contact: Tobitha Jones, USDA Trade Show Office in Washington D.C., Tel: (202) 690-1182; Fax: (202) 690-4374; e-mail: joneste@fas.usda.gov

September 11-14, 2000

GastroNord Food Show 2000. Stockholm, Sweden. USDA is sponsoring the USA Pavilion. The 1997 show attracted 38,000 visitors and 475 exhibitors. GastroNord 2000 will be held in conjunction with Vinordic--Scandinavia's major trade fair for wines and spirits. This is the most important show in Northern Europe. In 1997, U.S. exports of agricultural, fish and forestry products to Sweden totaled US\$169 million. Contact Jon Elliott, B*FOR international USA in Virginia, Tel: (540) 373-9935; Fax: (540) 372-1414.

Report Request Form

Company: _____ Contact person: _____
 Address: _____ City: _____ Zipcode _____
 Telephone number: _____ Facsimile number: _____

Report(s) requested:

- | | |
|--|--|
| <input type="checkbox"/> Philippines Architectural/Construction/Engineering Mkt. | <input type="checkbox"/> Singapore Seafood Market |
| <input type="checkbox"/> Taiwan – Water Filter System Market | <input type="checkbox"/> Vietnam Cosmetics Market |
| <input type="checkbox"/> Coffee Reports | <input type="checkbox"/> Japan Retail Food Sector Report |
| Other: _____ | |

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